



**GREYHOUND LEASING &
FINANCIAL CORPORATION**

Greyhound Tower
Phoenix, Arizona 85077
602-248-4900

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RECORDATION NO. 15009
Filed 1425

JUL 30 1986 - 10 30 AM
INTERSTATE COMMERCE COMMISSION

July 29, 1986

Federal Express

Interstate Commerce Commission
12th and Constitution Avenue N.W.
Washington, D.C. 20423

Attention: Mildred Lee
Room 2303

Re: Equipment Lease Agreement from Greyhound Leasing & Financial Corporation ("Lessor") to Trinity Industries Leasing Company ("Lessee")

Dear Ms. Lee:

Please find enclosed for recordation pursuant to 49 U.S.C. 11303 one (1) original and two (2) certified true copies of an Equipment Lease Agreement dated as of July 25, 1986 between Lessor and Lessee.

The names and addresses of the parties to the transaction are as follows:

Lessor: Greyhound Leasing & Financial Corporation
Greyhound Tower
Phoenix, Arizona 85077

Lessee: Trinity Industries Leasing Company
2525 Stemmons Freeway
Dallas, Texas 75207

The equipment that is the subject of the Equipment Lease Agreement is described as follows:

125 railroad tank cars manufactured by Trinity Industries, Inc., assigned the reporting mark TILX and the numbers 100045-100163 and 120000-120005.

Pursuant to 49 C.F.R. Part 1116, please stamp the documents described above with the date and hour of recordation, a recordation number and a notation to the effect that they have been filed pursuant to the provisions of Section 11303

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NOTICE TO RECORDATION UNIT

Interstate Commerce Commission
July 29, 1986
Page 2

of Title 49, United States Code. After performing these tasks, please retain the two (2) certified true copies in the Commission's files and return the original to:

Greyhound Leasing & Financial Corporation
Greyhound Tower
Phoenix, Arizona 85077
Attention: Barry M. Hornstein, Esq.

Enclosed is a check in the amount of \$10.00 drawn to the order of the Interstate Commerce Commission for the filing fees.

Your cooperation is appreciated.

Respectfully submitted,

GREYHOUND LEASING & FINANCIAL
CORPORATION

By:


R. L. DAUPHINAIS,
VICE PRESIDENT

BMH

BMH/mem

Enclosures

Interstate Commerce Commission
Washington, D.C. 20423

7/30/86

OFFICE OF THE SECRETARY

Greyhound Leasing & Financial Corporation

Greyhound Tower

Phoenix, Arizona 85077

Attn: Barry M Hornstein, Esq.

Dear Sir:

The enclosed document(s) was recorded pursuant to the provisions of Section 11303 of the Interstate Commerce Act, 49 U.S.C. 11303, on 7/30/86 at 10:30am, and assigned recordation number(s). 15009

Sincerely yours,

Noreta R. McGee

Enclosure(s)

SE-30
(7/79)

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INTERSTATE COMMERCE COMMISSION

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EQUIPMENT LEASE AGREEMENT

LESSOR: GREYHOUND LEASING & FINANCIAL CORPORATION ("Lessor")

LESSEE: The undersigned ("Lessee") at the address set forth on the signature page hereof.

1. LEASE. Subject to the terms of this Equipment Lease Agreement (together with the Supplements, Riders, Schedules and Exhibits hereto, the "Lease"), Lessor hereby leases to Lessee and Lessee hereby hires from Lessor the equipment (together with all attachments, replacements, parts, additions and repairs incorporated therein and affixed thereto, the "Unit(s)") initially described in each and all Supplements ("Supplements") and thereafter described in each and all Schedules ("Schedules") hereto signed by the parties and thereby made a part hereof.

2. TERM; RENTAL; AND PAYMENTS. (a) Lessee will pay as rental for use of the Units the payments, in the amounts designated as "Base Rental" and "Interim Rental" (collectively the "Rental"), and at such times during the entire lease term consisting of a "Base Term" and an "Interim Term" (collectively the "Term"), as specified in the applicable Supplement to this Lease. The Rental and the Term with respect to each Unit shall commence on the date of acceptance ("Acceptance Date") of such Unit by Lessee from Lessor for leasing hereunder. The date the first Base Rental payment is due and payable for a Unit shall also be the date of the applicable Schedule therefor.

(b) Lessee intends the Rentals to be net to Lessor. Therefore, Lessee shall pay when due all sales, use, excise, gross receipts, value added, personal property, stamp, documentary and ad valorem taxes, license and registration fees, assessments, fines, penalties and similar charges ("Impositions") levied or imposed by any foreign, Federal, state or local government or taxing authority, railroad or other agency on the ownership, possession, use, sale, rental, shipment or transfer of title of the Units during the Term and shall pay or shall reimburse Lessor upon demand for all taxes (except Federal or State net income taxes) imposed on Lessor or Lessee with respect to the Rentals. Lessee shall file all returns required therefor and furnish copies to Lessor. Lessee shall also pay any net increase to Lessor in income tax as a result of inclusion in income of Lessor of any amount required by this paragraph to be paid to or for Lessor. Lessee will keep at all times all and every part of each Unit free and clear of all Impositions which might in any way affect the title of Lessor thereto or result in a lien upon such Unit.

(c) In the event any Rental or any other payment due Lessor hereunder is not timely paid, such arrearage from the due date thereof until paid shall be subject to a charge of interest at a per annum rate equal to 3% above the then current Prime computed on the basis of the actual number of days elapsed using a 360 day year, provided, however, in no event shall such interest rate be greater than the maximum rate permitted under the applicable usury law. Such interest shall be payable on demand. As used herein, "Prime" means the higher of (i) the rate of interest announced publicly by Citibank, N.A. in New York, New York, from time to time as Citibank, N.A.'s base rate; or (ii) $\frac{1}{2}$ of one percent

above the latest three-week moving average of secondary market morning offering rates in the United States for three-month certificates of deposit of major United States money market banks as determined weekly by Citibank, N.A. All payments due Lessor shall be paid at Lessor's office at the address set forth below, or as otherwise directed, and shall be paid without notice, demand, counterclaim, setoff, deduction, recoupment or defense, and Lessee waives all rights with respect thereto it might otherwise have now or hereafter.

3. PURCHASE CONTRACT. (a) Lessee covenants, represents and warrants to Lessor that (i) it has agreed with Trinity Industries, Inc. ("Vendor") for the sale and delivery of the Units to Lessee by Vendor for a consideration not exceeding the Cost (the total consideration necessary to purchase the Units including, without limitation, freight and installation charges and taxes) set forth in the applicable Supplement, (ii) each such Unit when acquired by Lessee, was new and unused equipment, (iii) it has purchased each such Unit for a consideration equal to the Cost to be paid by Lessor therefor hereunder, (iv) it has legal title to such Units free and clear of any claims, liens, encumbrances and security interests and (v) it has the right to sell such Units. A Unit shall not be deemed to be delivered to Lessor until it has been accepted for leasing hereunder and Lessee has given to Lessor written notice thereof satisfactory to Lessor, at which time Lessor shall purchase such Unit from Lessee in a commercially reasonable manner if all of the terms and conditions hereof shall have been complied with whereupon Lessee shall sign a Schedule therefor upon presentation. If any Unit shall not "conform" as that term is understood under UCC Sec. 2-106, Lessee shall notify Lessor and Lessor shall not be obligated to and shall not purchase the same. In such event, Lessee agrees to save Lessor harmless from any claim by Vendor and expenses in connection therewith.

(b) Lessee acknowledges and agrees that (i) each Unit is of a size, design, capacity and manufacture selected by Lessee, (ii) it is satisfied that each Unit is suitable for its purposes, (iii) Lessor is not a manufacturer of the Units nor, to the best of Lessee's knowledge, a dealer in property of such kind.

4. NO WARRANTIES BY LESSOR. (a) LESSOR SHALL NOT BE LIABLE TO LESSEE FOR ANY LIABILITY, CLAIM, LOSS, DAMAGE (DIRECT OR CONSEQUENTIAL) OR EXPENSE OF ANY KIND OR NATURE CAUSED, DIRECTLY OR INDIRECTLY, BY ANY UNIT OR ANY INADEQUACY THEREOF FOR ANY PURPOSE, OR ANY DEFICIENCY OR DEFECT (LATENT OR PATENT) THEREIN, OR THE USE OR MAINTENANCE THEREOF, OR ANY REPAIRS, SERVICING OR ADJUSTMENTS THERETO, OR ANY DELAY IN PROVIDING OR FAILURE TO PROVIDE ANY THEREOF, OR ANY INTERRUPTION OR LOSS OF SERVICE OR USE THEREOF, OR ANY LOSS OF BUSINESS, OR ANY DAMAGE WHATSOEVER AND HOWEVER CAUSED. LESSOR SHALL NOT, BY VIRTUE OF HAVING LEASED THE UNITS UNDER THIS LEASE, BE DEEMED TO HAVE MADE ANY REPRESENTATION OR WARRANTY, WHETHER WRITTEN OR ORAL OR EXPRESS OR IMPLIED, AS TO THE MERCHANTABILITY, FITNESS (FOR USE OR FOR ANY PARTICULAR PURPOSE), DESIGN OR CONDITION OF, OR AS TO THE QUALITY OF THE MATERIAL OR WORKMANSHIP IN, THE UNITS.

(b) Inability of Lessee to use the Units due to any reason, including, without limitation, any defect in or unfitness of the Units, any action by any governmental authority (including, without limitation, legislative, executive, administrative or judicial bodies) or any action by an independent supervisory agency, shall not relieve Lessee of the obligation hereunder to pay Rentals for the full Term, once the Unit has been accepted or presumed accepted by

Lessee under paragraph 3(a) hereof. Lessee shall look solely to the Vendor for any claim based on the quality or condition of the Units, their performance, merchantability or fitness for use and will not assert any such claim, offset or defense against Lessor. Lessor shall assign Lessor's right, title and interest under any warranties for the Units to Lessee to the extent such warranties are assignable.

5. REPORTS. Lessee shall furnish to Lessor (a) within 120 days after the close of each fiscal year of Lessee and within 60 days after the close of each fiscal quarter of Lessee, copies of Lessee's most recent financial reports, certified to by a recognized firm of certified public accountants in the case of annual reports and by the chief financial officer of Lessee in the case of quarterly reports, (b) on the date the annual financial reports are submitted to Lessor and at such other times as Lessor may request, an accurate report, certified to by a duly authorized officer of Lessee stating (A) that, as of a recent date not earlier than the preceding December 31, the Units have been maintained and repaired in accordance herewith and that the legends placed on the Units as required herein have been preserved or repainted on each side of each of the Units, and that Lessee's identifying reporting mark and the appropriate unit number have been preserved or repainted on each side of each of the Units as required herein, (B) such other information regarding the location, condition and state of repair of the Units as Lessor may reasonably request, and (C) whether there exists, on the date of issuance of such report, any condition or event which constitutes or which, after notice or lapse of time or both, would constitute an Event of Default hereunder, and if any such condition or event then exists, specifying the nature and period of existence thereof and the action Lessee is taking and proposes to take with respect thereto, (c) without demand (1) notification immediately thereafter of accidents, claims or demands arising out of the ownership or alleged or apparent improper manufacture, functioning or operation of any Unit, details thereof, and copies of documents pertaining thereto (Lessee and its employees shall aid in the investigation and defense of all such claims and in the recovery of damages from third persons) and (2) written notice within 10 days after any day on which any tax lien shall attach to any Unit, of the location of such Unit on such day, and (d) from time to time, such additional financial and other information as Lessor may reasonably request.

6. USE; OPERATION; AND SERVICE. (a) Lessee will (i) cause the Units to be operated and maintained only in the ordinary course of Lessee's business and in accordance with applicable manufacturer's manuals or instructions and by regulatory rules and laws, including, without limitation, all laws of the jurisdictions in which its operations involving the Units may extend, the interchange rules of the Association of American Railroads ("AAR"), rules of the Department of Transportation ("DOT"), the Interstate Commerce Commission, the Federal Railroad Administration and any other or successor legislative, executive, administrative or judicial body, and rules of any other association of carriers or shippers exercising any power or jurisdiction over Lessee or over the Units, to the extent that such laws and rules affect the title, operation, storage, maintenance or use of the Units; in compliance with the terms and conditions of this Lease; and only in the continental limits of the United States and Canada (ii) except as otherwise specifically provided in Section 19 hereof, not assign or otherwise transfer or sublet this Lease, the Units or any interest therein without the prior written consent of Lessor in each instance, nor permit the Units to be subject to any lien, encumbrance or charge whatsoever, (iii) maintain the Units, at its sole expense, in first class condition, repair and appearance and in good

operating order and acceptable for use in unrestricted interchange, including, without limitation, maintaining the linings and coatings intact and protecting all of the surfaces of the Units they are designed to protect and (iv) furnish at its sole expense all parts, supplies, service and utilities necessary for operation or maintenance of the Units, all of which shall immediately become the property of Lessor without cost or expense to Lessor except that this shall not apply to special equipment installed on the Units by Lessee with the consent of Lessor, provided that such equipment is removed by Lessee before the Units are returned to Lessor and all damage resulting from such installation and removal is repaired by Lessee, and further provided that removal of such equipment does not affect the Units' serviceability or use in unrestricted interchange. Notwithstanding the foregoing, no accessory or device may be installed or affixed to any Unit if the same will impair the originally intended function of the Unit and no repair, improvement, part, supply or modification may be made or replaced by Lessee unless it is permitted by Revenue Procedure 79-48 or any successor thereto having the same effect. If the laws or rules referred to in Section 6(a)(i) above require the alteration of the Units, Lessee shall conform the Units in accordance therewith at Lessee's expense and shall maintain the same in proper condition for operation under such laws and rules; provided, however, that Lessee may in good faith contest the validity and application of any such law or rule in any reasonable manner which does not, in the opinion of Lessor, adversely affect the property or rights of Lessor as owner hereunder. Lessee shall notify Lessor of any alteration of the Units required by such laws or rules, describing by identification number the Units affected and the nature of the alteration. Except for alterations or changes required by law, Lessee shall not, without the prior written approval of Lessor, effect any change in the design, construction or body of the Units.

(b) Lessee assumes all risks for the use, operation and storage of each Unit and for injuries and damages incident thereto, whether to agents, employees or property of Lessee, Lessor or of third parties and whether or not occasioned by Lessor's negligence. Lessee assumes all responsibility for, and shall indemnify and save and hold Lessor harmless from, all costs, expenses, taxes, duties or other charges of every kind or nature whatsoever arising out of the use of any Unit outside of the continental United States, including, without limitation, costs incurred in returning such Unit to the continental United States. LESSEE WILL SAVE AND HOLD LESSOR HARMLESS from all losses, damages, claims, penalties, liabilities and expenses, including attorneys' fees, howsoever arising or incurred because of or incident to (i) any Unit or the actual or alleged purchase, acquisition, delivery, management, control, leasing, condition, destruction, damage, return, repossession, surrender, sale or other disposition, use, operation or storage thereof or (ii) the assertion of any claim or demand based on any infringement or alleged infringement of any patent, trademark or other right by or in respect of any Unit and/or on STRICT OR ABSOLUTE LIABILITY IN TORT.

(c) Unless an Event of Default shall have occurred and be continuing, Lessee shall be entitled to the possession and use of the Units in accordance with the terms of this Lease. Except as specifically provided in Section 19 hereof, Lessee shall not, without the prior written consent of Lessor, part with the possession or control of, or suffer or allow to pass out of its possession or control the Units except that Lessee may permit the use thereof by other railroad companies in the usual interchange of traffic agreements, but only on and subject to all the terms and conditions of this Lease.

(d) All per diem payments, rentals and other charges payable for the use of the Units while being used by others and proceeds payable for the loss, destruction or damage of or to the Units under the current Code of Rules Governing the Settlement for Destroyed or Damaged Cars adopted by the Association of American Railroads shall be paid to Lessor's agent, care of Lessor, who, prior to Default and until a successor is designated by Lessor, may be the Lessee. Lessee shall cause appropriate instructions as to such payments to be published in each issue of the Official Railway Equipment Register. Prior to the occurrence of an Event of Default the amounts so paid shall be remitted by such agent to Lessee; provided, however, that if an Event of Default shall occur no such payments, sublease rentals or other charges shall be paid to Lessee from and after the occurrence of said Event of Default, and Lessee hereby releases any claim thereto, and all such payments, Rentals and other charges shall be remitted to Lessor and may be applied by Lessor against any liability of Lessee to Lessor hereunder or any expense incurred by Lessor because of such Default.

(e) Lessee shall pay or satisfy and discharge any and all sums claimed by any party other than those which were created by act of Lessor which, if unpaid, might become a lien or a charge upon the Units or entitled to priority over any of the rights of Lessor in and to the Units, but Lessee shall not be required to discharge any such claim so long as it shall in good faith and by appropriate legal proceedings contest the validity thereof in any reasonable manner which, in the opinion of Lessor, will not affect or endanger the title and interest of Lessor in and to the Units.

7. INSURANCE. Lessee shall provide and maintain at its own expense all risk replacement cost property insurance per policy terms and conditions on each Unit and comprehensive general liability insurance covering each Unit with financially sound and reputable insurers of recognized responsibility, in amounts and against risks customarily insured against by companies of established reputation in the railcar leasing business and, in any event, in at least such amounts and against such risks as are customarily insured against by Lessee on railroad equipment owned by it, and, in any event, be of a type, form, in amounts and with companies, approved by Lessor in its reasonable discretion. The insurance shall (i) in the case of property insurance, provide that settlements for losses shall be paid jointly to insured and Lessor and/or its assignee as loss payee and insure Lessor's interests, including for such purpose any additional amounts owed to Lessor in accordance with the terms of this Lease, regardless of any breach or violation by Lessee of any warranty, declaration or condition contained in the policies, (ii) in the case of liability policies, name Lessor as additional insured and provide that all insurance, except the limits of liability, operate as if there were a separate policy covering each insured, (iii) be primary and without right of contribution from other insurance which is carried by Lessor, and (iv) provide for 30 days written notice to Lessor prior to the time any coverage is altered or cancelled. Certificates of insurance or other evidence satisfactory to Lessor showing the existence of insurance in accordance herewith and the terms, conditions, and payments therefor shall be delivered to Lessor forthwith and thereafter prior to each expiration. Upon Lessor's request, Lessee shall deliver to Lessor certified copies of the actual policies.

8. DAMAGE TO EQUIPMENT. (a) Lessee assumes all risks of loss, theft or destruction of, and damage to, each Unit and will hold Lessor harmless from any

thereof and from all claims and liens for storage, labor and materials incurred other than by Lessor whether or not insured.

(b) "Stipulated Loss Value" means a sum of money equal to the Cost of the Unit(s) multiplied by the percentage set forth on Exhibit A, to the applicable Supplement, and thereby made a part hereof, for the applicable period of the Term in which the calculation is made. The calculation is made on the premise that all Rental due has been timely paid. "AAR Settlement Value" shall have the meaning set forth in Rule 107 of the Field Manual of AAR Interchange Rules, as amended from time to time. A Unit which is lost, stolen, wholly destroyed or damaged beyond repair so as to preclude its use for the purpose intended by reason of any cause, or is appropriated, requisitioned, taken over or nationalized by any governmental authority under the power of eminent domain or otherwise, and all of the obligations of Lessee hereunder are not assumed by such governmental authority within 60 days after such appropriation, requisitioning, taking over or nationalization, shall be deemed a "Total Loss". A Unit for which AAR Settlement Value is payable shall also be deemed a Total Loss. If a Total Loss occurs, Lessee shall pay to Lessor, on the date that the next Base Rental with respect to such Unit would have fallen due, an amount equal to the sum of (i) accrued and unpaid Rental (including Interim Rental) with respect to such Unit, if any, to such date of the next Base Rental and (ii) the greater of the AAR Settlement Value and the Stipulated Loss Value of such Unit as of the date of such Total Loss, less any insurance proceeds previously received by Lessor with respect to such Total Loss. Upon receipt by Lessor of the sum of the amounts set forth in clauses (i) and (ii) preceding, (A) Lessee shall then be entitled to receive the remainder, if any, of all insurance proceeds as compensation for the loss of Lessee's leasehold interest in such Unit (B) this Lease shall terminate as to such Unit and Lessee's obligation to pay further Rental with respect to such Unit (including Base Rental otherwise payable on the date Lessee is to pay the sum of the amounts set forth in clauses (i) and (ii) preceding) shall cease, and (C) Lessor shall transfer its entire right, title and interest in and to such Unit to the Lessee, without any representation or warranty except that such Unit is free of liens or encumbrances caused solely by Lessor.

(c) If a Unit(s) is damaged but shall be capable of repair, this Lease shall remain in effect as to such Unit(s) and Lessee will repair such damage or replace such Unit at Lessee's sole cost, but Lessee may apply, if it is not in default under this Lease, any insurance proceeds received in respect of such damage to such repair or replacement.

9. RETURN OF EQUIPMENT. (a) At the expiration or sooner termination of the Term or any renewal thereof, each Unit shall be inspected at Lessee's expense by a person selected by Lessor and, after thoroughly cleaning each Unit, Lessee will return each Unit to Lessor (i) free of all advertising or insignia placed thereon by Lessee and (ii) in the same operating order, repair, condition and appearance as when received, reasonable wear and tear excepted, and in all events in a condition fit and suitable for operations in unrestricted interchange and otherwise meeting all interchange requirements of the Association of American Railroads, all then existing rules, regulations and requirements of the Department of Transportation, the Interstate Commerce Commission, the Federal Railroad Administration and any other or successor legislative, executive, administrative or judicial body exercising any power or jurisdiction over the Units, and, in addition, free of corrosive damage to the interior. Lessee, at its own cost and

expense, shall forthwith assemble the Units and transport them or cause them to be transported, upon such tracks as Lessor may designate, to a place designated by Lessor. The assembling, delivery, storage and transportation of the Units as above provided are essential to this Lease and Lessor shall be entitled to a decree of court against Lessee so as to require Lessee to assemble, deliver, store and transport the Units.

(b) Without in any way limiting the obligation of Lessee under the foregoing paragraph, Lessee hereby irrevocably appoints Lessor as its agent and attorney, with full power and authority, at any time while Lessee is obligated to deliver possession of the Units to Lessor, to demand and take possession of the Units in the name and on behalf of Lessee from whomsoever shall be at the time in possession of the Units.

10. REPRESENTATIONS AND WARRANTIES. Lessee hereby covenants, represents and warrants to Lessor that:

(a) it is a corporation duly organized, validly existing and in good standing under the laws of the State of Texas and is duly qualified to do business as a foreign corporation in every jurisdiction in which the nature of its business requires qualification;

(b) it has taken all corporate action which may be required to authorize the execution, delivery and performance of this Lease, and such execution, delivery and performance will not conflict with or violate any provision of law, including, without limitation, any statute, rule, regulation, judgment, decree, order franchise or permit applicable to Lessee or any provisions of its Articles or Certificate of Incorporation, By-laws or any provisions of, or result in a default or acceleration of any material obligation under, any material agreement, order, decree or judgment to which it is a party or by which it is bound, nor is it now in default under any of the same;

(c) there is no litigation or administrative proceeding pending or threatened against it which may have a materially adverse effect on Lessee or which would prevent or hinder the performance by it of its obligations hereunder;

(d) this Lease and attendant documents constitute valid obligations of Lessee, binding and enforceable against it in accordance with their respective terms;

(e) except for the filing of this Lease with the Interstate Commerce Commission ("I.C.C."), no governmental authorizations, approvals or exemptions are required of Lessee and no registration by Lessee with any governmental agency or commission is necessary for the execution, delivery or performance of this Lease by Lessee or for the validity and enforceability hereof or for the leasing of the Units hereunder, for the Rental or any of the other terms and conditions herein provided; or, if any such authorizations or registrations are required, they will be or have been obtained or accomplished; and, if any such authorizations or registrations hereafter shall be required, they will be promptly obtained or accomplished.

(f) all Lessee's financial statements that have heretofore been presented by or on behalf of it to Lessor in conjunction with this transaction,

are true and correct and present fairly the financial condition and results of operations of the subject of such statements as of the date thereof or for the period reflected therein, do not contain any untrue statement or omit to state a material fact required to be stated therein or necessary in order to make such financial statements not misleading, and, except as disclosed in such financial statements, there is no fact, situation or event which materially adversely affects or will materially adversely affect the properties, business, assets, income, prospects or condition (financial or otherwise) of the subject thereof;

(g) it has the power to own its assets and to transact the business in which it is engaged;

(h) it is not currently in default of any obligation under any material agreement, instrument or undertaking, or decree or judgment to which it is a party or by which it is bound;

(i) it will give to Lessor prompt notice of any change in its name, identity and structure; and

(j) Lessor or Lessor's representatives may at any and all reasonable times inspect the Units and may enter upon any and all premises where the same is kept or might be located.

(k) all tax returns which are required to be filed by the Lessee under the laws of any jurisdiction in which its business and operations are conducted have been filed and all taxes shown on the returns have been paid, except such taxes that are being contested by Lessee in good faith on advice of Lessee's tax counsel.

(l) neither Lessee nor any other person has used or placed into use or service a Unit prior to May 20, 1986.

(m) Lessor or its assignee shall have the right, at its sole cost and expense, by its authorized agents, employees or representatives, to inspect the Units and Lessee's records with respect thereto, at such times and from time to time during the term of this Lease as may be reasonably necessary to confirm to the satisfaction of Lessor or its assignee the existence and proper maintenance of the Units.

(n) the Fixed Charges Coverage Agreement ("FCCA") dated as of January 15, 1980 between Lessee and Trinity Industries, Inc. ("Trinity") is in full force and effect and Lessee and Trinity have taken such corporate action and executed such documents as is necessary to designate Lessee's obligations hereunder as "Benefited Indebtedness" and Lessor as a "Benefited Holder" (as such terms are defined in the FCCA) entitled to the benefits of the FCCA.

11. DEFAULT. An event of default shall occur hereunder ("Events of Default") if Lessee:

(a) fails to pay any sum to be paid hereunder when due and such failure continues for two (2) days after receipt by Lessee of written or telegraphic notice thereof; or

(b) fails at any time to procure or maintain any insurance coverage prescribed herein; or

(c) fails to perform or observe any other duty, obligation or covenant contained herein or in any other document furnished in connection herewith and such failure shall continue for 10 days after receipt by Lessee of written or telegraphic notice thereof; or

(d) becomes insolvent (that is, unable to pay its debts as they mature) or commits an act of bankruptcy or becomes the subject of any proceeding under the Bankruptcy Act as amended or any other insolvency law or law providing for the relief of debtors (provided, however, that if the same is an involuntary proceeding which is stayed or dismissed within 60 days from the date of commencement the same shall not constitute default); or

(e) shall suffer any substantial part of Lessee's property to be subject to any levy, seizure, assignment, application or sale, not released or vacated within 60 days, for or by any creditor or governmental agency; or

(f) shall have a final judgment aggregating in excess of \$100,000.00 rendered against it which shall remain outstanding and undischarged for 30 days; or

(g) shall have made a materially untrue or incorrect representation or warranty herein or in any document delivered in connection herewith.

12. REMEDIES. (a) Upon the occurrence of an Event of Default, Lessor, at its option may, (i) proceed by appropriate court action(s) to enforce performance by Lessee or to recover from Lessee any and all damages and expenses which Lessor shall have sustained by reason of Lessee's default or on account of Lessor's enforcement of its remedies hereunder, (ii) terminate Lessee's rights hereunder, and/or (iii) take possession of all Units (damages occasioned by such taking of possession are hereby expressly waived by Lessee), and thereupon Lessee's right to the possession thereof shall terminate; provided, however, it is understood and agreed that Lessor's taking possession of the Units shall neither terminate this Lease nor discharge Lessee's obligations and duties hereunder and Lessee's obligation to pay Lessor its damages as hereinafter defined. In the event of any repossession, Lessor shall either lease the Units or any portion thereof for such period, at such rental and to such person as Lessor shall elect or sell the Units or any portion thereof at public or private sale without demand or notice of intention to sell or of sale to Lessee and with or without having the Units at the place of sale or retain the Unit(s) or any part thereof without leasing or otherwise disposing of the Unit(s). If any Unit is leased, sold or otherwise disposed of pursuant hereto, Lessee shall be liable to Lessor, as liquidated damages for the breach of this Lease (but not as penalty), for the amount by which the proceeds of such lease (all future rental payments thereof discounted to the specified payment date to their present value at the rate of 10% per annum), sale or other disposition is less than the sum of (i) all due, unpaid and accrued Rentals for such Unit as of the date of the Event of Default, (ii) the Stipulated Loss Value thereof as of the date of the Event of Default, (iii) an amount equal to accrued Impositions and other amounts payable hereunder by Lessee with respect to such Unit, (iv) all costs, expenses, losses and damages incurred or sustained by Lessor by reason of such default, and (v) interest at the rate specified in paragraph 2 on each of the foregoing and on all sums not paid when

due under any provision of this Lease. If on the date of such termination or repossession, any Unit be a Total Loss or be subject to any levy, seizure, assignment, application or sale for or by any creditor or governmental agency, Lessee shall also remain liable for the Stipulated Loss Value of such Unit, less the amount of any insurance recovery received by Lessor in connection therewith. All rights and remedies of Lessor conferred on Lessor by this Lease or by law shall be cumulative and in addition to every other right and remedy available to Lessor. No failure on the part of Lessor to exercise and no delay in exercising any right or remedy hereunder shall operate as a waiver thereof unless specifically waived by Lessor in writing, nor shall any single or partial exercise by Lessor of any right or remedy hereunder preclude any other or further exercise thereof or the exercise of any other right or remedy.

(b) LESSEE HEREBY VOLUNTARILY AND KNOWINGLY WAIVES, TO THE EXTENT PERMITTED BY LAW, ANY AND ALL RIGHTS TO NOTICE AND/OR HEARING PRIOR TO ANY RETAKING OF POSSESSION OR REPLEVY OF THE UNITS BY LESSOR, ITS AGENTS OR ASSIGNS ON DEFAULT OF LESSEE, AND FOR THIS PURPOSE LESSOR MAY, AS FAR AS LESSEE CAN GIVE AUTHORITY THEREFOR, ENTER UPON ANY PREMISES ON WHICH THE UNITS MAY THEN BE SITUATED AND REMOVE THE SAME THEREFROM. LESSOR MAY REQUIRE LESSEE TO DELIVER THE UNITS TO LESSOR AT A PLACE TO BE DESIGNATED BY LESSOR IN ACCORDANCE WITH THE PROVISIONS OF PARAGRAPH 9.

(c) If Lessor incurs any expenses including attorneys' fees, in the enforcement of any of its rights hereunder without having brought any action, proceeding or suit to enforce any such right, or if Lessor shall bring any action, proceeding or suit and shall be entitled to judgment, then Lessor may recover from Lessee such reasonable expenses so incurred. Should Lessor be in default hereunder as to any one Unit, Lessee may not because of such default terminate this Lease as to any other Unit. Promptly after Lessee has notice thereof, Lessee shall give notice to Lessor of any Event of Default and any event that has occurred and is continuing which constitutes an Event of Default but for the requirement that notice be given or time elapse or both.

(d) Upon the occurrence of an Event of Default, if required by Lessor, Lessee shall (i) do all things and execute all documents necessary or desirable to assist Lessor in locating the Units, (ii) reletter the Units or cause them to be relettered in the manner directed by Lessor and (iii) provided that no sublessee of the Units pursuant to Section 19 hereof is then entitled to possession of the Units, at its sole risk and expense, assemble the Units and place them for storage upon suitable trackage space and store them on such tracks for up to 120 days.

13. PURCHASE AND RENEWAL OPTIONS. (a) At the expiration of the Term or any renewal thereof of the Units, Lessee shall be entitled to purchase the Units for a price equal to the then fair market value thereof, provided, however, that (i) Lessee must not be in default under this Lease on the date it exercises this purchase option or between the date of exercise and the Expiration Dates (as defined below) for each of the Units which are the subject of this purchase option, (ii) Lessee must give Lessor unequivocal and irrevocable written notice of its exercise of this purchase option at least 6 months, but not more than 12 months prior to the Expiration Date of the first Schedule to expire, and (iii) Lessee must elect to purchase all, and not less than all, the Units subject to this Lease and (iv) Lessee shall (1) purchase each Unit and pay the purchase price therefor on the expiration date of the Term with respect to such Unit ("Expiration Date"). For the purposes of determining fair market value of the Unit(s) it shall

be assumed that the Unit(s) will be used for their best intended purposes, are fully assembled, in good operating condition and fully installed and operational on the premises the Unit(s) will be used.

(b) On the expiration by lapse of time of the Term, Lessee shall be entitled to renew the Lease for the Units for an additional period of two (2) years or until the expiration of the first renewal of the term of the Sublease, if longer than two (2) years, for a rental price equal to 50% of the monthly Rental, payable quarterly in advance (the "Two-Year Renewal Term"), provided, however, that (i) Lessee is not in default under the Lease on the date it exercises this renewal option or between the date of exercise and the Expiration Date for the Units which are the subject of this renewal option; (ii) Lessee gives to Lessor unequivocal and irrevocable written notice of its exercise of this renewal option at least 6 months, but not more than 12 months, prior to the expiration of the initial term of the Sublease or, in lieu of such notice, Lessee shall be deemed to have exercised this renewal option if the initial term of the Sublease shall be renewed, (iii) Lessee exercises this renewal option as to all, and not less than all, of the Units subject to the Lease on the Expiration Date of the first Schedule to expire, and (iv) Lessor, at its option, may recalculate the Stipulated Loss Value for the Units for each renewal term.

(c) On the expiration by lapse of time of the Two-Year Renewal Term or any renewal term thereafter, Lessee and Lessor may renew the Lease for the Units for an additional period of five (5) years for a rental price equal to the then fair rental value thereof, payable quarterly in advance, provided, however, that Lessor and Lessee each give to the other unequivocal and irrevocable written notice of its exercise of such renewal option at least 6 months, but not more than 12 months, prior to the expiration of the Two-Year Renewal Term or any renewal term thereafter, as the case may be.

14. TAX INDEMNITY. (a) As used herein: (i) "IRC" shall mean the Internal Revenue Code of 1954, as amended on the date hereof; (ii) "ITC" shall mean the investment tax credit allowed for "new Section 38 property" by Sections 38 and 46 et. seq. of the IRC at the rate provided in the applicable Supplement; (iii) "Depreciation" shall mean deductions for Federal income tax purposes on the Cost of the Units (less the basis adjustment required by Section 48(q) of the IRC, if any) using the applicable "Accelerated Cost Recovery System" method of depreciation provided by IRC Section 168 (other than straight-line) with a recovery period as set forth in the applicable Supplement; (iv) "Tax Benefits" shall mean both ITC and Depreciation; and (v) "Change in Tax Law" shall mean either (A) any amendment, modification, deletion, addition or change in and to (1) the provisions of the IRC enacted by the 99th Congress, or (2) any statutory compilation of the income tax laws of the United States enacted by the 99th Congress to supersede, amend or supplement the IRC ("Federal Tax Law"), or (3) the Treasury Regulations (including temporary and proposed regulations), or (B) any change in the interpretation of the IRC or Federal Tax Law or treasury Regulations (including temporary and proposed regulations) (1) in a decision by any federal court, or (2) by the issuance of an Internal Revenue Service ("IRS") Revenue Ruling or Revenue Procedure or other written pronouncement, statement of policy or administrative interpretation by the IRS or the Department of Treasury, or (3) by the issuance of an Executive Order of the President of the United States.

(b) The parties agree that only Lessor shall be entitled to claim the Tax Benefits available on the purchase and ownership of the Units and Lessee

will not claim the same. If, as a result of (i) the sale or other disposition of a Unit pursuant to an Event of Default hereunder, (ii) the incorrectness of any of the Special Representations, Warranties, and Covenants made by Lessee in Section 14(d) below, (iii) any act or omission of Lessee, or any person acting (or failing to act) on behalf of or with the consent of Lessee, (iv) any Change in Tax Law, or (v) (A) any alteration, repair, replacement, improvement, modification or addition (collectively, "Improvements") made of or to the Equipment or (B) the requirement by the IRS that Lessor include in gross income all or any portion of the cost of any Improvements where such included amount is not entirely offset by a deduction for such Improvements in the same taxable period, Lessor should not be able to claim and/or retain the Tax Benefits or any part thereof or Lessor should have its income tax liability increased with respect to this Lease, then Lessee agrees to restore Lessor promptly on demand to the same after-tax yield, the same aggregate after-tax cash flow and otherwise to the same after-tax financial position, as calculated by Lessor, that it would otherwise have enjoyed had such Tax Benefits not been lost, recaptured or disallowed in the first instance or had such income tax liability not been increased. Further in addition, but not by way of limitation, if any Change in Tax Law either (i) results in any "excess depreciation" (as such term is used in Section 7.07 of the President's Tax Proposals to Congress for Fairness, Growth and Simplicity, dated May, 1985 ("President's Proposals")) with respect to the Units being recaptured or included in Lessor's income, or (ii) requires an inclusion in income, a disallowance or recapture of a deduction or credit, or an imposition of a tax which is based upon, related to, in substitution for, or in modification of Section 7.07 of the President's Proposals, then Lessee agrees to restore Lessor promptly on demand to the same after-tax yield, the same aggregate after-tax cash flow otherwise to the same after-tax financial position, as calculated by Lessor, that it would otherwise have enjoyed had such Change in Tax Law not occurred. If an indemnity is payable by Lessee pursuant to this Section 14(b) as a result of a Change in Tax Law, the payment thereof shall be due and payable ninety (90) days from the occurrence of such Change in Tax Law. Lessor shall deliver to Lessee written notice of any calculation made by Lessor under this Section 14(b). Lessee shall have the right to review and approve such calculation and to consult with Lessor with respect thereto. Unless Lessee gives Lessor the written notice as provided in the next sentence, such calculation shall be deemed approved by and binding on Lessee. If Lessee disagrees with such calculation, then within fifteen (15) days of Lessee's receipt of Lessor's notice of such calculation, Lessee shall deliver to Lessor a written notice stating its disagreement and requesting that the accounting firm that regularly prepares the Lessor's certified financial statements determine whether such calculation is mathematically accurate and based on reasonable assumptions. Lessor shall promptly request such accounting firm to make its determination within fifteen (15) days. The determination of the appropriate calculation made by such accounting firm shall be binding on the Lessee and the Lessor. Any cost and expenses incurred to secure such determination shall be paid by the Lessee unless such accounting firm shall determine that the calculation as determined by the Lessor shall have been overstated by more than five (5%) percent, in which event the Lessor shall pay such costs and expenses. The Lessee agrees that any information derived by the Lessee in connection with any determination of the appropriate calculation shall be kept strictly confidential and shall not be revealed to any person.

(c) Without limiting the generality of Section 14(b) preceding, Lessee shall not be liable to Lessor for any loss of Tax Benefits to the extent

that such loss is caused by one or more of the following events: (i) a disqualifying disposition of the Units by Lessor prior to an Event of Default; (ii) failure of Lessor to have sufficient taxable income or tax liability to utilize the Tax Benefits described herein; (iii) failure of Lessor to make appropriate elections in respect of Units in its tax return; (iv) failure of Lessor to timely claim the benefits described herein, unless such failure shall result from circumstances other than those caused solely by Lessor or its agents or employees or shall be based on an opinion of regular tax counsel of Lessor that such claim is not allowable; (v) a change in the nature of Lessor's business or liquidation thereof; or (vi) a Total Loss with respect to the Units or any thereof, provided that Lessee shall have paid the applicable Stipulated Loss Value and any other sums to Lessor in respect thereof pursuant to Section 8 of this Lease.

(d) This Lease is being entered into by the Lessor on the basis of the following special representations, warranties and covenants ("Special Representations, Warranties and Covenants") of Lessee:

- (i) On the date Lessor shall purchase each Unit and lease it to Lessee hereunder, such Unit shall constitute "new Section 38 property" within the meaning of Section 48(b) of the IRC;
- (ii) On the date Lessor shall purchase each Unit and lease it to Lessee hereunder, such Unit shall constitute "ten (10) year recovery property" within the meaning of Section 168 of the IRC and recovery deductions with respect to such Unit will be allowable pursuant to Section 168 of the IRC;
- (iii) The Lessee will not use, fail to use, or permit any other person or entity to use or fail to use any Unit in such a way as to disqualify it as Section 38 property within the meaning of Section 48(a) of the IRC;
- (iv) Each Unit does not constitute and will not constitute at any time during the first five years of the Term "recovery property" which is "used predominantly outside the United States" within the meaning of Sections 48 or 168 of the IRC;
- (v) Lessee will maintain sufficient records to verify the Special Representations, Warranties and Covenants specified in subsections (i) - (iv) above, which records will be furnished to Lessor within sixty (60) days after receipt of a written request therefor;
- (vi) No Unit shall have been placed in service by Lessee or any other person or entity prior to the date Lessor shall purchase such Unit, except a Unit placed in service by Lessee and, within 3 months of the date such Unit was originally placed in service, sold to Lessor and leased back to Lessee, so that the "original use" of such Unit, within the meaning of Section 48(b) of the IRC, will commence with the Lessor;
- (vii) Lessee has not claimed, will not claim and will not permit any other person or entity to claim any Tax Benefits with respect to any Unit;

- (viii) No Unit is or will become during the Term, "tax exempt use property" within the meaning of Section 168(j)(3) of the IRC;
- (ix) For purposes of determining the Tax Benefits allowable with respect to a Unit, the basis of such Unit will be equal to the Cost of such Unit (less any basis adjustment required by Section 48(q) of the IRC);
- (x) A reasonable estimate of the remaining useful life of each Unit at the end of the lease term (i.e. after the expiration of the Interim Term, the Base Term and the Two-Year Renewal Term) is twenty percent (20%) of the originally estimated useful life of such Unit;
- (xi) A reasonable estimate of the fair market value of each Unit to Lessor at the end of the Term with respect to such Unit, without including in such value any increase or decrease for inflation or deflation during such Term and after subtracting any costs of delivery of possession of such Unit to Lessor, is at least equal to twenty percent (20%) of the Cost of such Unit.

(e) References in this Section 14 to the "Lessor" shall include any member at any time of any affiliated group (within the meaning of Section 1504 of the Code) of which the Lessor is a member, it being the intent of the parties hereto that any such other member be a third party beneficiary of this Section 14.

(f) If the Internal Revenue Service makes a claim against the Lessor which, if successful, would require the Lessee to make a payment under subsection (b) of this Section 14 in excess of \$25,000.00, the Lessor agrees to contest the claim on request of the Lessee subject to the following conditions:

(i) The Lessor agrees, within 30 days after becoming aware thereof, to notify the Lessee of any such claim. The Lessee agrees that, in the event it desires the claim to be contested, it shall request the Lessor to contest the claim within 30 days after receipt of such notice. The Lessor agrees not to make any payment of any tax which is the subject of the claim before it gives such notice and during the 30-day period after it gives such notice.

(ii) The Lessor shall consult the Lessee regarding the commencement and prosecution of any and all administrative proceedings with the Internal Revenue Service in contesting the claim. If such administrative proceedings are not pursued or are not successful, the Lessor shall, at the request of the Lessee, contest the claim by way of appropriate judicial or other administrative action and, if necessary, bring appropriate appeals from such courts; provided, however that the Lessor shall determine in its sole discretion the nature of all action to be taken to contest such proposed adjustment, including (1) whether any action to contest such proposed adjustment shall initially be by way of judicial or administrative proceedings, or both, (2) whether any such proposed adjustment shall be contested by resisting payment thereof or by paying the same and seeking a refund thereof, and (3) if the Lessor shall undertake judicial action with respect to such proposed

adjustment, the court or other judicial body before which such action shall be commenced. The Lessor shall advise the Lessee of all information it receives about actions taken or proposed to be taken by the Internal Revenue Service and of all actions proposed to be taken by the Lessor and the Lessor shall consult in good faith with the Lessee regarding such actions. The Lessee may engage counsel to assist counsel of the Lessor in conducting such contest, as the Lessor in its sole discretion shall determine, it being agreed that the ultimate control of any such contest shall be in the sole discretion of the Lessor. At any time, whether before or after commencing to take the action set forth in this Section, the Lessor may decline to take any such action with respect to all or any portion of a proposed adjustment by notifying the Lessee in writing that the Lessee is relieved of its obligation to indemnify the Lessor with respect to the adjustment or such portion, as the case may be.

(iii) Prior to taking any such action and prior to each appeal from any adverse determination, the Lessor shall receive from the Lessee an opinion of outside tax counsel of recognized standing, such counsel being reasonably acceptable to the Lessor, to the effect that on the basis of law and fact a reasonable defense exists to the claim or that there is a reasonable basis for any refund claim, identifying such defense or basis, as the case may be, except that, prior to any appeal from an adverse judicial determination, such opinion shall be to the effect that it is more likely than not that such appeal will be successful. Subject to the foregoing, in no event will the Lessor compromise or settle the claim or cease to contest such claim without the prior written consent of the Lessee (provided, however, that the Lessor may so compromise or settle the claim or cease to contest if the Lessor waives in writing its right to an indemnity under this subsection (f) for any loss resulting from such claim). The Lessee agrees to reimburse the Lessor for all reasonable costs incurred by the Lessor as a result of contesting the claim and to pay all costs and expenses which the Lessor may incur in contesting the claim. These costs and expenses shall include, without limitation, reasonable attorneys' and accountants' fees and disbursements, and any interest or penalty which may ultimately be payable to the United States of America as a result of contesting the claim. If the Lessor elects to pay the tax claimed and sues for a refund, the Lessee shall provide the Lessor with sufficient funds (as an interest free loan) to pay the tax.

(iv) If any such claim referred to above shall be made by the Internal Revenue Service and the Lessee shall have requested the Lessor to contest such claim and otherwise has complied with its obligations under this subsection (f), the Lessee's liability for indemnification hereunder shall become fixed upon final determination of the liability of the Lessor. At such time, the Lessee shall become obligated for the payment of any indemnification hereunder resulting from the outcome of such contest. If in connection with such final determination the Lessor receives a refund of tax or would have received a refund had any payment made from funds provided by the Lessee not been applied in payment of tax liability determined to be owing by the Lessor for which the Lessee is not required to make an indemnity payment to the Lessor pursuant to this subsection (f), such refund or an amount equal to such amount so

applied, together with any interest also received (or which would have been received) by the Lessor and fairly attributable to such refund of tax or amount so applied, will be paid over to the Lessee.

15. CONDITIONS PRECEDENT. The obligations of Lessor hereunder to purchase any Unit and to lease it to Lessee are expressly contingent on satisfaction and fulfillment of the following:

(a) Lessee shall have executed and delivered, or caused to be executed and delivered, at its sole cost and expense, such documents as Lessor shall deem necessary and desirable in connection with this transaction, each of which shall be in form and substance satisfactory to Lessor in all respects, including, without limitation, the following:

- (i) this Lease;
- (ii) certified copies of resolutions of Lessee's Board of Directors authorizing Lessee to execute, deliver, honor and perform this Lease and all of the documents, agreements and instruments called for herein or required in connection herewith;
- (iii) the favorable opinion of legal counsel to Lessee as to such matters as Lessor may reasonably require;
- (iv) evidence that all of the insurance required hereunder has been procured and is in full force and effect;
- (v) certificates of incumbency of Lessee;
- (vi) certified copies of Lessee's charter documents and by-laws;
- (vii) certificate of good standing of Lessee from the state of Texas;
- (viii) Uniform Commercial Code financing statements;
- (ix) complete specifications and the price to be paid for each of the Units;
- (x) copies of all licenses and approvals, if any, required in connection with the use of the Units;
- (xi) certificates of officers of Lessee as to such matters as Lessor may reasonably require;
- (xii) the due authorization, execution and delivery by Lessee of a warranty bill of sale for the Units being sold to Lessor;
- (xiii) evidence of ownership of the Units by Lessee free and clear of all liens and encumbrances;

- (xiv) the original Railroad Car Lease Agreement effective the 31st day of December, 1985 between Lessee and C-I-L Corporation of America ("Sublessee"), including all Schedules, Riders, Supplements and Amendments thereof ("Sublease");
- (xv) the Assignment and Agreement with respect to the Sublease;
- (xvi) the Consent to the Assignment and Agreement duly executed by the Sublessee;
- (xvii) certified copy of the FCCA, including any amendments or modifications thereto;
- (xviii) Notice of Designation of Indebtedness as Benefited Indebtedness and Acknowledgement and Acceptance duly executed by Lessee and Trinity respectively; and
- (xix) such other agreements, certificates or other instruments in writing as Lessor shall deem necessary or desirable in order to more fully and completely secure, protect, perfect or preserve Lessor's ownership interest in and to the Units, free and clear of any liens and encumbrances.

(b) This Lease, the Sublease and the Assignment and Agreement shall have been duly filed and recorded with the Interstate Commerce Commission in accordance with Section 20(c) of the Interstate Commerce Act.

(c) Lessor shall have received, from an appraiser acceptable to Lessor in its discretion, an appraisal, in all respects satisfactory in form and substance to Lessor in its reasonable discretion, (i) as to the fair market value of the Units, (ii) that the Term does not exceed eighty percent (80%) of the estimated useful life of the Units and (iii) that the fair market value of the Units at the end of the Term is expected to be at least twenty percent (20%) of the Cost of the Units without taking inflation or deflation into account;

(d) There shall be no materially adverse change in the financial condition of the Lessee or in Lessee's ability to perform its obligations hereunder;

(e) All of the representations and warranties of Lessee hereunder shall be true and correct in all material respects as of the date Lessor is to purchase any Unit and lease it to Lessee hereunder;

(f) Lessee shall have kept and performed its obligations hereunder and no Event of Default nor any event or act, which with notice or lapse of time or both, would become an Event of Default shall have occurred and be continuing as of the date Lessor is to purchase any Unit and lease it to Lessee hereunder;

(g) The Vendors are willing and able to sell and deliver the conforming Units and to transfer title thereto, free and clear of all liens and encumbrances to Lessor for a total consideration not exceeding the Total Cost of the Units; and

(h) Each Unit shall be eligible for the Tax Benefits as herein contemplated or the Lessee shall (i) be obligated to indemnify Lessor in accordance with Section 14 hereof for any Tax Benefits for which such Unit is not eligible and (ii) either (1) pay the appropriate lump sum amount to Lessor or (2) agree in writing to the adjusted Rentals to be due hereunder with respect to such Unit.

16. ASSIGNMENT AND/OR SALE BY LESSOR. Lessee acknowledges and understands that the terms and conditions of this Lease have been fixed by Lessor in anticipation of its being able to assign and/or sell ("Transfer") its interest under this Lease and in and to the Units in whole or in part to a third party, which assignee and/or purchaser ("Transferee") will rely on and be entitled to the benefit of the provisions of this paragraph, and upon any such Transfer. Lessee agrees with Lessor and with such potential Transferees to recognize any such Transfer, to accept the directions or demands of such Transferee in place of those of Lessor, to the extent so directed by Lessor to surrender Units only to such Transferee as so directed, to pay all Rentals and the sums payable hereunder and to do any and all things required of Lessee hereunder and not to terminate this Lease, notwithstanding any default by Lessor or the existence of any offset as between Lessor and Lessee or the existence of any other liability or obligation of any kind or character on the part of Lessor to Lessee whether or not arising hereunder, and not to require any such Transferee to perform any duty, covenant or condition required to be performed by Lessor hereunder, all rights of Lessee in any such instance being hereby waived as to any and all of such Transferees. However, upon any such Transfer, Lessor shall not be relieved of its obligations to Lessee hereunder. Any interest under this Lease acquired by a Transferee shall be subject to the rights of the Sublessee (or any other sublessee pursuant to Section 19 hereof) to the same extent it was prior to such Transfer.

17. EARLY TERMINATION. If at any time after this Lease has commenced as to one or more of the Units, Lessee shall become obligated to make a payment to Lessor pursuant to Section 14 hereof as a result of any Change in Tax Law which payment is deemed burdensome to Lessee, and if such payment can be avoided through the purchase of the Units by Lessee, then on 30 days' prior written notice to Lessor, Lessee shall have the option to terminate this Lease with respect to all, but not less than all, of the Units by purchasing the Units on the date which is ninety (90) days after the occurrence of the Change in Tax Law by paying to Lessor an amount, determined by Lessor in its sole and exclusive discretion, equal to the greater of (a) 102% of the Stipulated Loss Value of the Units in effect at the time of such termination or (b) the then fair market value of the Units. Notwithstanding the preceding sentence, Lessee shall not be entitled to exercise such option to terminate if an Event of Default, or an event or act, which, with notice or lapse of time or both, would become an Event of Default, shall have occurred and be continuing. Upon Lessor's receipt of payment of all sums due and payable to Lessor under this Lease, including such amount, Lessor shall immediately thereafter transfer title to the Units to Lessee.

18. BROKERAGE FEES. Lessor and Lessee acknowledge that Lessor is paying to Steiner Securities Corporation, a brokerage fee for bringing this transaction to the attention of Lessor. Lessor and Lessee agree to indemnify and

hold harmless each other from and against the claims of other brokers who may allege that they are due a fee or commission with respect to this transaction based upon such broker's actions on behalf of such indemnifying party.

19. ASSIGNMENT OF SUBLEASE. (a) Notwithstanding any other provision of this Lease, Lessor hereby acknowledges and consents to the sublease of the Units during the term hereof to C-I-L Corporation of America, a Michigan corporation ("Sublessee") on the following terms and conditions:

(i) The Sublease Agreement ("Sublease") shall be in a form satisfactory in all respects to Lessor;

(ii) The Sublease may not be amended in any material way without Lessor's written consent, except to effect any modification required due to changes mandated by the AAR, the DOT or any other governmental or regulatory body;

(iii) The Sublease shall in all respects be subject and subordinate to the terms and conditions of this Lease and Lessor's interest in the Units;

(iv) Nothing contained in the Sublease shall in any way diminish the rights of Lessor hereunder or increase any obligation or liability of Lessor hereunder, as this Lease may be amended and supplemented from time to time;

(v) Lessee shall at all times remain fully liable under this Lease, as amended and supplemented, for performance of each and every obligation of Lessee hereunder without diminution by virtue of the Sublease; and

(vi) The Sublease and payments due thereunder shall be assigned in writing ("Sublease Assignment") to Lessor as additional collateral to secure performance of Lessee's obligations hereunder. The Sublease Assignment shall be consented to by Sublessee in writing ("Consent"). Such Consent shall also provide for the recognition by Sublessee of Lessor's succeeding to the rights of Lessee as sublessor under the Sublease if an Event of Default shall occur or if Lessee shall be in default under the Sublease Assignment.

(b) Notwithstanding any other provision of this Lease to the contrary, in the event the Sublease is terminated with respect to one or more of the Units for reasons other than the default of the Lessee, Lessee may sublease all of its rights and obligations hereunder with respect to such Units; provided, however, that (i) Lessee shall not be in default hereunder, (ii) such sublease shall be in writing and Lessee shall deliver to Lessor a copy thereof along with such other documents as Lessor may reasonably require to preserve, protect, perfect and secure its title to the Units which are the subject of such sublease and its rights hereunder; (iii) the sublessee under such sublease shall have agreed and obligated itself throughout the Term to execute and deliver to Lessor such additional documents and perform such further acts as may be reasonably requested by Lessor in order to carry out and effectuate the purposes of this Lease; (iv) the sublessee under such sublease is not the subject of a petition filed under the Federal bankruptcy laws or other insolvency laws now or hereafter in effect; (v) such sublease shall not adversely affect the ability of Lessor to claim the Tax

Benefits as herein contemplated or otherwise in any way diminish the rights of Lessor hereunder or increase any obligation or liability of Lessor hereunder; (vi) in the event that insurance carried by the sublessee under such sublease is to be substituted for insurance carried by Lessee, such substituted insurance shall in all respects comply with the requirements of this Lease and there shall be no break in or impairment of the insurance coverage afforded Lessor under this Lease; (vii) Lessee, notwithstanding any such sublease, shall at all times remain fully liable under this Lease for the performance of all of Lessee's obligations under this Lease; (viii) such sublease shall in all respects be subject and subordinate to the terms and conditions of this Lease and Lessor's interest in the Units; (ix) such sublease and payments due thereunder shall be assigned in writing to Lessor as additional collateral and such assignment of such sublease shall be consented to in writing by the sublessee under such sublease, and (ix) in addition, such sublease shall contain the following paragraph:

"The parties hereto recognize and agree that the provisions of this Sublease shall in all respects be subject and subordinate to the terms and conditions of that certain Equipment Lease Agreement dated as of _____, 19____ by and between Sublessor as Lessee therein and Greyhound Leasing & Financial Corporation as Lessor therein, which Equipment Lease Agreement concerns the Units described herein. Nothing herein contained shall in any way be deemed to diminish any of the rights or increase any of the obligations of Greyhound Leasing & Financial Corporation in such Equipment Lease Agreement."

20. ADDITIONAL COVENANTS OF LESSEE. (a) Lessee agrees to use the Units, upon each railroad over which Units shall move, in accordance with the then prevailing tariffs to which each railroad shall be a party, and if the operation or movements of any of the Units during the term hereof shall result in any charges being made against Lessor by any such railroad, Lessee shall pay to Lessor the amount of such charges within the period prescribed by and at the rate and under the conditions of the then prevailing tariffs. Lessee agrees to indemnify Lessor against any such charges and Lessee shall be liable for any charges associated with switching, demurrage, track storage, detention, or special handling charges imposed on any Unit during the term hereof.

(b) Lessor shall not be liable for any loss of or damage to commodities, or any part thereof, loaded or shipped in the Units, however such loss or damage shall be caused or shall result. Lessee agrees to assume responsibility for, to indemnify Lessor against, and to save it harmless from any such loss or damage or claim therefor.

(c) Upon the written request of Lessee (which request shall name the railroads involved) Lessor shall use reasonable efforts to obtain from each named railroad authority to place the Units in service under the provisions of A.A.R. Circular No. OT-5 as promulgated by the Association of American Railroads and all supplements thereto and reissues thereof (such authority hereinafter called the "consent(s)"). Lessee shall furnish to Lessor such information as is necessary to apply for and obtain such consents and Lessor will confirm in writing to Lessee applications for OT5 and railroad responses on a timely basis. Lessor, however, shall not be liable for a failure to obtain such consents for any reason whatsoever and this agreement shall remain in full force and effect notwithstanding any failure of Lessor to obtain such consents.

(d) Lessee shall comply with all governmental laws, rules, regulations, requirements and the Interchange Rules of the Association of American Railroads (herein collectively referred to as the "Rules") with respect to the use, operation and maintenance of the Units, including but not limited to the use, operation and maintenance of any interior lading protective devices, special interior linings or removable parts. Lessee, at its expense, shall further comply with the Rules in the event such Rules require a change or replacement of any equipment or appliance on the Units or in case any additional or other equipment or appliance is required to be installed on the Units.

(e) If the ICC or any other regulatory body determines that the lessors of railroad cars are entitled to any "demurrage fees" or fees of a similar nature, Lessee shall (i) account to Lessor for any such payment of demurrage fees Lessee receives and (ii) pass through such payments to Lessor on not less than a monthly basis.

(f) Notwithstanding any other provision of this Lease to the contrary, Lessee shall not use, or permit any other person to use, any of the Units which do not have a protective lining or coating to carry sulphuric acid which is less than 98% pure.

(g) Lessee will not amend, terminate, modify, discharge or waive the observance of the FCCA or any provision thereof in any manner without the prior written consent of Lessor.

21. IDENTIFICATION OF UNITS. (a) At the first opportunity when a Unit is to be maintained, repaired or serviced by Lessee or its designee, Lessee, at its sole cost and expense, agrees to (i) remove from each of the Units the following words: "Ownership subject to a security agreement filed under the Interstate Commerce Act, Section 20(c)" and (ii) cause to be plainly, distinctly, permanently and conspicuously placed, fastened or painted upon each side of each of the Units a legend in letters not less than one inch in height bearing the following words:

"Ownership and Equipment Lease Agreement
filed under the Interstate Commerce Act,
Section 11303"

At the request of Lessor or any chattel mortgagee, assignee, trustee or other holder of the legal title to the Units, the Units may be lettered or marked to identify the legal owner of the Units, if other than Lessor, at the first opportunity after receipt of such request, when a Unit is to be maintained, repaired or serviced by Lessee or its designee.

(b) In case any such legend at any time shall be painted over or otherwise made inconspicuous, removed, defaced or destroyed during the Term, Lessee shall immediately cause such legend to be restored or replaced. Lessee will not allow the name of any person, association or corporation to be placed on the Units as a designation which might be interpreted as indicating a claim of ownership thereof by anyone other than Lessor or its assignees; but the Units may be lettered with the names or initials or other insignia customarily used by Lessee on equipment of the same or a similar type for convenience of identification of the rights to use and operate the Units.

(c) On or prior to the Acceptance Date of a Unit, Lessee agrees to cause to be placed on each side thereof Lessee's assigned number. At all times thereafter, during the Term, Lessee will cause the Units to bear the number so assigned to it, and Lessee will not change or permit to be changed the number except in accordance with a statement of new number to be substituted therefor which previously shall have been filed with Lessor by Lessee and filed, recorded or deposited in all public offices where this Lease will have been filed, recorded or deposited.

22. MISCELLANEOUS. Nothing herein contained shall give or convey to Lessee any right, title or interest in and to any Unit except as a lessee thereof. Lessor covenants that it is the owner of the Units upon their purchase from the Vendors and that conditional upon Lessee's performance hereunder, Lessee shall peaceably and quietly hold, possess and use the Units during the Term. This Lease shall be binding on and shall inure to the benefit of the parties hereto and their respective successors and assigns, subject to Section 6. Time is of the essence. Lessee shall pay on demand, whether or not the transactions contemplated in or by this Lease shall have been consummated, all filing and recording fees, and related expenses. Each party shall be responsible for its own legal fees and expenses associated with this transaction. This Lease shall be governed by and construed in accordance with the laws of the State of Arizona. The invalidity of any portion of this Lease shall not offset the force and effect of any other portion hereof. Interest computations shall be made on the basis of a 360-day year of twelve 30-day months. Lessee agrees throughout the Term to execute and deliver such additional documents and to perform such further acts as may be reasonably requested by Lessor in order to carry out and effectuate the purposes hereof. This Lease contains the entire agreement between the parties and may not be modified, terminated or discharged except in writing, and this Lease supersedes any and all prior representations, warranties and/or inducements, written or oral, heretofore made by Lessor concerning this transaction, which prior representations, warranties and/or inducements, if any, are null and void and of no force or effect whatsoever.

Notwithstanding the foregoing, if under applicable law including, without limitation, the Uniform Commercial Code, this lease transaction is deemed to be other than a lease transaction, Lessee and Lessor agree for purposes of state law only, that this Lease shall constitute a "security agreement" as contemplated under UCC Section 9-203 and Lessor's retention of title to the Units hereunder shall be as security for the full and faithful performance by Lessee of all of its obligations under this Lease.

23. SURVIVAL. Any other provisions contained in this Lease to the contrary notwithstanding, it is hereby agreed that the provisions of this Lease shall survive the expiration or termination hereof to the extent required thereby for their full observation and performance. Should Lessor permit the use of any Unit beyond the Term specified therefor, the obligations of Lessee hereunder shall continue. Any such permissive use shall not be construed as a renewal of the Term or as a waiver of any right or continuation of any obligation of Lessor hereunder, and Lessor may take possession of any such Unit at any time on demand after 30 days notice. Neither cancellation nor termination by Lessor of this Lease pursuant to the provisions hereof nor any termination of the Term by lapse of time shall release Lessee from any then outstanding obligations and/or duties to Lessor hereunder.

24. NOTICES. All demands, notices, consents, requests and other communications hereunder shall be, unless specifically provided otherwise in the Lease, in writing and shall be deemed to have been duly given when personally delivered to any officer of Lessor or Lessee, or when deposited in the mail, registered or certified, postage prepaid, addressed to the parties at their addresses shown on the signature page hereof. Copies of all such communications to Lessee shall be delivered in the manner provided in this Section to the parties and at the addresses shown on the signature page hereof.

25. COUNTERPARTS. This Lease may be executed in any number of counterparts all of which shall constitute one and the same instrument, and any of the parties or signatories hereto may execute this Lease by signing any such counterpart.

26. SUPPLEMENT 1. The first Supplement to this Lease, designated as Supplement 1, is as follows:

SUPPLEMENT 1

A. Description of Units covered by this Supplement: The following railroad rolling stock: 119 sulphuric acid (93%) rail tank cars as more specifically described on Exhibit B attached hereto and incorporated herein.

B. Cost of the Units: The aggregate Cost of the Units covered by this Supplement 1 shall in no event, exceed \$4,236,400.00.

C. The Term for Units covered by this Supplement:

C-1 The Interim Term for a Unit covered by this Supplement shall commence on the Acceptance Date of such Unit and end on August 30, 1986.

C-2 The Base Term for a Unit covered by this Supplement shall be one hundred eighty (180) consecutive months commencing on August 31, 1986.

D. Rental for Units covered by this Supplement:

D-1 Base Rental is payable in 180 consecutive monthly payments, each of which shall be payable monthly in arrears.

D-2 The Rental payments for a Unit covered by this Supplement shall equal the percentages listed below of the Cost of such Unit:

Base Rental Factor
0.8446%

Interim Rental Factor
0.02815%

D-3 The first Base Rental payment for a Unit covered by this Supplement shall be due and payable on September 30, 1986 the commencement date of the Base Term of such Unit and each successive Base Rental payment thereafter shall be due and payable on the same day of each successive month.

D-4 Interim Rental for a Unit shall be due and payable in arrears on August 31, 1986 and shall be in an amount equal to the product of (i) the number of days from and including the Acceptance Date of such Unit to

and including August 30, 1986, multiplied by (ii) an amount equal to the product of the Cost of such Unit multiplied by the Interim Rental Factor listed in subsection D-2 above.

- E. Each Unit covered by this Supplement constitutes ten (10) year recovery property with a recovery period of ten (10) years as provided in IRC Section 168.
- F. ITC for each Unit covered by this Supplement shall be at a rate of ten percent (10%) of the Cost of such Units.
- G. Vendor must deliver and sell the Units covered by this Supplement to Lessor on or before, and the obligations of Lessor to purchase such Units and to place them on Lease to Lessee shall expire, on August 31, 1986.
- H. The terms used in this Supplement shall have the same meanings accorded to such terms in the foregoing Lease, unless the context otherwise requires.

27. SUPPLEMENT 2. The second Supplement to this Lease, designated as Supplement 2, is as follows:

SUPPLEMENT 2

- A. Description of Units covered by this Supplement: The following railroad rolling stock: 6 sulphuric acid (98%) rail tank cars as more specifically described on Exhibit B attached hereto and incorporated herein.
- B. Cost of the Units: The aggregate Cost of the Units covered by this Supplement ① shall in no event, exceed \$239,700.00.
- C. The Term for Units covered by this Supplement:
 - C-1 The Interim Term for a Unit covered by this Supplement shall commence on the Acceptance Date of such Unit and end on August 30, 1986.
 - C-2 The Base Term for a Unit covered by this Supplement shall be one hundred eighty (180) consecutive months commencing on August 31, 1986.
- D. Rental for Units covered by this Supplement:
 - D-1 Base Rental is payable in 180 consecutive monthly payments, each of which shall be payable monthly in arrears.
 - D-2 The Rental payments for a Unit covered by this Supplement shall equal the percentages listed below of the Cost of such Unit:

Base Rental Factor
0.8426%


Interim Rental Factor
0.02809%

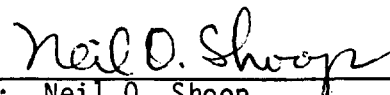
- D-3 The first Base Rental payment for a Unit covered by this Supplement shall be due and payable on September 31, 1986 the commencement date of the Base Term of such Unit and each successive Base Rental payment thereafter shall be due and payable on the same day of each successive month.

- D-4 Interim Rental for a Unit shall be due and payable in arrears on August 31, 1986 and shall be in an amount equal to the product of (i) the number of days from and including the Acceptance Date of such Unit to and including August 30, 1986, multiplied by (ii) an amount equal to the product of the Cost of such Unit multiplied by the Interim Rental Factor listed in subsection D-2 above.
- E. Each Unit covered by this Supplement constitutes ten (10) year recovery property with a recovery period of ten (10) years as provided in IRC Section 168.
- F. ITC for each Unit covered by this Supplement shall be at a rate of ten percent (10%) of the Cost of such Units.
- G. Vendor must deliver and sell the Units covered by this Supplement to Lessor on or before, and the obligations of Lessor to purchase such Units and to place them on Lease to Lessee shall expire, on August 31, 1986.
- H. The terms used in this Supplement shall have the same meanings accorded to such terms in the foregoing Lease, unless the context otherwise requires.

IN WITNESS WHEREOF, the parties hereto have executed this Lease and Supplement 1 hereto as of July 25, 1986.

TRINITY INDUSTRIES LEASING COMPANY
"Lessee"

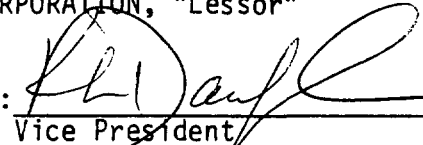
By: 
Name: K. W. Lewis
Title: Senior Vice President

By: 
Name: Neil O. Shoop
Title: Assistant Secretary

Address:

2525 Stemmons Freeway
Dallas, Texas 75207
Attn.: Neil O. Shoop

GREYHOUND LEASING & FINANCIAL
CORPORATION, "Lessor"

By: 
Vice President

ATTEST:

By: 
Assistant Secretary

Address:

Greyhound Tower
Phoenix, Arizona 85077
Attn.: Vice President
Risk Manager-Commercial Finance

STATE OF TEXAS)
COUNTY OF DALLAS)

On this 25th day of July, 1986, before me personally appeared Neil O. Shoop and K. W. Lewis, to me personally known, who being by me duly sworn, says that they are the Assistant Secretary and Senior Vice President, respectively, of Trinity Industries Leasing Company, that the seal affixed to the foregoing instrument is the corporate seal of said corporation, that said instrument was signed and sealed on behalf of said corporation by authority of its Board of Directors, and they acknowledged that the execution of the foregoing instrument was the free act and deed of said corporation

Sarahy Lattin
Notary Public

(SEAL)

My Commission Expires:

9-30-88

STATE OF ARIZONA)
COUNTY OF MARICOPA) ss.

On this 29th day of July, 1986, before me personally appeared Barry M. Hornstein and Richard G. Dauphinais, to me known, who being by me duly sworn, did depose and say that they are the Assistant Secretary and Vice President, respectively, of Greyhound Leasing & Financial Corporation, that said instrument was executed on behalf of said corporation by authority of its Board of Directors and they acknowledged that the execution of the foregoing instrument was executed as the free act and deed of said corporation for the purposes set forth therein.

Marcum Blessingame
Notary Public aka Maloney

My Commission Expires:

My Commission Expires Nov. 5, 1986

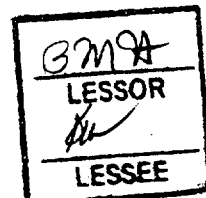


EXHIBIT A

TRINITY INDUSTRIES LEASING COMPANY, LESSEE

Stipulated Loss Values

Supplement 1 (93% railcars)

<u>Quarter</u>	<u>Percentage of Cost</u>	<u>Quarter</u>	<u>Percentage of Cost</u>
1	104.61	33	78.70
2	106.16	34	77.28
3	107.57	35	75.82
4	108.85	36	74.31
5	106.29	37	72.77
6	107.31	38	71.19
7	108.19	39	69.56
8	108.94	40	67.90
9	105.86	41	66.19
10	106.34	42	64.44
11	106.69	43	62.65
12	106.91	44	60.82
13	103.30	45	58.94
14	103.30	46	57.03
15	103.21	47	55.07
16	102.99	48	53.07
17	98.93	49	51.04
18	98.45	50	48.96
19	97.83	51	46.84
20	97.08	52	44.67
21	92.50	53	42.47
22	91.58	54	40.23
23	90.62	55	37.94
24	89.61	56	35.61
25	88.56	57	33.24
26	87.47	58	30.83
27	86.34	59	28.38
28	85.17	60	25.89
29	83.96	Thereafter	24.20
30	82.71		
31	81.41		
32	80.07		

100 7/17/86

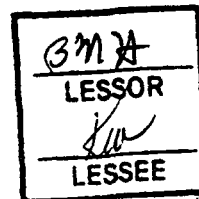
EXHIBIT A
TRINITY INDUSTRIES LEASING COMPANY, LESSEE

Stipulated Loss Values
Supplement 2 (98% railcars)

<u>Quarter</u>	<u>Percentage of Cost</u>	<u>Quarter</u>	<u>Percentage of Cost</u>
1	104.68	33	80.03
2	106.28	34	78.64
3	107.74	35	77.20
4	109.07	36	75.73
5	106.57	37	74.21
6	107.63	38	72.65
7	108.56	39	71.05
8	109.36	40	69.40
9	106.32	41	67.72
10	106.85	42	65.99
11	107.25	43	64.22
12	107.52	44	62.41
13	103.94	45	60.55
14	103.96	46	58.66
15	103.91	47	56.72
16	103.73	48	54.74
17	99.72	49	52.71
18	99.27	50	50.65
19	98.70	51	48.54
20	97.98	52	46.39
21	93.45	53	44.20
22	92.56	54	41.97
23	91.63	55	39.69
24	90.66	56	37.38
25	89.65	57	35.02
26	88.59	58	32.61
27	87.50	59	30.17
28	86.36	60	27.69
29	85.17	Thereafter	26.00
30	83.95		
31	82.69		
32	81.38		

JCC 7/17/86

EXHIBIT B
TO SUPPLEMENT 1



(Page 1 of 2 Pages)

65 each DOT 111A100W2 SULPHURIC ACID (93%) RAIL TANK CARS OF 13,329 GAL. CAPACITY. 39'3.5" LENGTH OVER STRIKERS: 28'4.5" LENGTH OVER TRUCK CENTERS: 14'4.5" HEIGHT OVER RAILS: PLATE SPEC. A516/GR70: PLATE AND HEAD THICKNESS 9/16": TEST PSI 100: NOT INSULATED: NO COILS: 100 TON TRUCKS: PLASITE 3066 LINING: DOUBLE DRAFT GEAR CARRIERS: TRANSDYNE WEAR LINERS: SS VERTICAL WEAR LINER AND CENTER BOWL: BOLSTER POCKET WEAR PLATES: ROLLER BEARING ADAPTORS WITH HARDENED CROWNS AND SHOULDERS BEARING THE FOLLOWING REPORTING MARKS AND SERIAL NUMBERS:

REPORTING MARKS	SERIAL NUMBER	REPORTING MARKS	SERIAL NUMBER
TILX100045	452549	TILX100078	452590
TILX100046	452548	TILX100079	452514
TILX100047	452550	TILX100080	452564
TILX100048	452538	TILX100081	452532
TILX100049	452543	TILX100082	452575
TILX100050	452559	TILX100083	452588
TILX100051	452520	TILX100084	452555
TILX100052	452505	TILX100085	452528
TILX100053	452537	TILX100086	452539
TILX100054	452506	TILX100087	452529
TILX100055	452571	TILX100088	452586
TILX100056	452508	TILX100089	452552
TILX100057	452504	TILX100090	452560
TILX100058	452573	TILX100091	452547
TILX100059	452585	TILX100092	452587
TILX100060	452509	TILX100093	452551
TILX100061	452511	TILX100094	452563
TILX100062	452545	TILX100095	452584
TILX100063	452589	TILX100096	452523
TILX100064	452554	TILX100097	452540
TILX100065	452562	TILX100098	452579
TILX100066	452582	TILX100099	452516
TILX100067	452568	TILX100100	452577
TILX100068	452526	TILX100101	452524
TILX100069	452553	TILX100102	452591
TILX100070	452572	TILX100103	452583
TILX100071	452576	TILX100104	452544
TILX100072	452581	TILX100105	452574
TILX100073	452517	TILX100106	452557
TILX100074	452578	TILX100107	452556
TILX100075	452541	TILX100108	452580
TILX100076	452513	TILX100109	452522
TILX100077	452527		

EXHIBIT B
TO SUPPLEMENT 1

(Page 2 of 2 Pages)

54 each DOT 111A100W2 SULPHURIC ACID (93%) RAIL TANK CARS OF 13,329 GAL. CAPACITY. 39'3.5" LENGTH OVER STRIKERS: 28'4.5" LENGTH OVER TRUCK CENTERS: 14'4.5" HEIGHT OVER RAILS: PLATE SPEC. A516/GR70: PLATE AND HEAD THICKNESS 9/16": TEST PSI 100: NOT INSULATED: NO COILS: 100 TON TRUCKS: HERESITE P403 LINING: DOUBLE DRAFT GEAR CARRIERS: TRANSDYNE WEAR LINERS: SS VERTICAL WEAR LINER AND CENTER BOWL: BOLSTER POCKET WEAR PLATES: ROLLER BEARING ADAPTORS WITH HARDENED CROWNS AND SHOULDERS BEARING THE FOLLOWING REPORTING MARKS AND SERIAL NUMBERS:

<u>REPORTING MARKS</u>	<u>SERIAL NUMBER</u>	<u>REPORTING MARKS</u>	<u>SERIAL NUMBER</u>
TILX100110	452503	TILX100137	452534
TILX100111	452507	TILX100138	452531
TILX100112	452519	TILX100139	452606
TILX100113	452561	TILX100140	452605
TILX100114	452530	TILX100141	452515
TILX100115	452566	TILX100142	452619
TILX100116	452546	TILX100143	452604
TILX100117	452533	TILX100144	452596
TILX100118	452536	TILX100145	452601
TILX100119	452521	TILX100146	452617
TILX100120	452570	TILX100147	452610
TILX100121	452558	TILX100148	452599
TILX100122	452569	TILX100149	452607
TILX100123	452613	TILX100150	452592
TILX100124	452620	TILX100151	452525
TILX100125	452510	TILX100152	452512
TILX100126	452535	TILX100153	452542
TILX100127	452614	TILX100154	452603
TILX100128	452618	TILX100155	452518
TILX100129	452611	TILX100156	452594
TILX100130	452615	TILX100157	452602
TILX100131	452621	TILX100158	452597
TILX100132	452612	TILX100159	452608
TILX100133	452616	TILX100160	452593
TILX100134	452567	TILX100161	452600
TILX100135	452565	TILX100162	452595
TILX100136	452609	TILX100163	452598

EXHIBIT B
TO SUPPLEMENT 2

6 each DOT 111A100W2 SULPHURIC ACID (98%) RAIL TANK CARS OF 13,245 GAL.
CAPACITY. 39'3.5" LENGTH OVER STRIKERS: 28'4.5" LENGTH OVER TRUCK
CENTERS: 14'4.5" HEIGHT OVER RAILS: PLATE SPEC. A516/GRADE 70: 9/16"
PLATE AND HEAD THICKNESS: TEST PSI 100: NOT INSULATED: NO COILS: NO
LINING: 100 TON TRUCKS: DOUBLE DRAFT GEAR CARRIERS: TRANSDYNE WEAR
LINERS: SS VERTICAL WEAR LINER AND CENTER BOWL: BOLSTER POCKET WEAR
PLATES: ROLLER BEARING ADAPTORS WITH HARDENED CROWNS AND SHOULDERS
BEARING THE FOLLOWING REPORTING MARKS AND SERIAL NUMBERS:

REPORTING MARKS

SERIAL NUMBER

TILX120000	452650
TILX120001	452651
TILX120002	452652
TILX120003	452653
TILX120004	452654
TILX120005	452655

15009

RECORDATION NO. _____ FILED 1986

July 29, 1986

JUL 30 1986 - 10 20 AM

INTERSTATE COMMERCE COMMISSION

Attached hereto is an Equipment Lease Agreement which I have compared to the original in all respects, including the dates, signatures, and acknowledgments and find it to be a true and correct copy in all respects.

Maxwell Blasingame
Notary Public *aka Malaney*

~~My~~ Commission Expires Nov. 5, 1986

My Commission Expires

